



Investment News

December 2014

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1. ECONOMIC INDICATORS

UK

- UK gross domestic product (GDP) increased by 0.7% in Q3 2014, compared with Q2.
- Consumer Price Index (CPI) annual inflation was 1% in November 2014, down from 1.3% in October.
- For August to October 2014, 73% of people aged from 16 to 64 were in work, up by 0.2% from May to July 2014 and up by 1.1% from a year earlier. The unemployment rate for August to October 2014 was 6%, down from 7.4% for a year earlier.

- UK house prices increased by 10.4% in the year to October 2014, down from 12.1% in the year to September 2014.
- Production output increased by 1.1% in October 2014, compared with October 2013.
- Manufacturing output increased by 1.7% in October 2014, compared with October 2013.
- In the year to November 2014 the output price index for home sales of manufactured products fell 0.1%. In the same period the total input price index fell 8.8%.
- The Index of Services increased by 3.4% in September 2014 compared with September 2013.
- In October 2014, output in the construction industry decreased by 2.2% compared with September 2014.
- In November 2014, the amount spent in the retail industry increased by 4.3% compared with November 2013 and by 1.2% compared with October 2014.
- Business Investment decreased by an estimated £0.3 billion (-0.7%) in Q3 2014 compared with Q2 however, it increased by 6.3% compared with the same quarter a year ago.
- The UK's deficit on seasonally adjusted trade in goods and services was £2 billion in October 2014. The deficit on trade in goods was £9.6 billion. The surplus on trade in services was estimated at £7.6 billion.
- There was a current account deficit of £23.1 billion in Q2 2014, up from a revised deficit of £20.5 billion (originally published as a deficit of £18.5 billion) in Q1 2014.
- UK residents made 16.7million visits abroad in Q2 2014. This was 5.1% more than in the same period a year earlier.
- Visits to the UK continued to grow in Q2 2014, with the number of visits increasing by 7.2% compared with the same quarter a year earlier, to 9.5 million visits.

For previously released UK economic indicators visit National Statistics: [Link](#)

LONDON

- London's annual growth in output increased to 3.5% in Q1 2014 from 3.1% in Q4 2013.
- London's annual employment growth decreased to 3.7% in Q1 2014 from 4.1% in Q4 2013.
- Annual house price inflation in London was 20.4% in Q3 2014, up from an upwardly revised 16.6% in Q2 2014.
- The claimant count unemployment rate in London stood at 2.5% in October 2014 unchanged from September 2014. There were 134,600 seasonally adjusted unemployment claimants in London in October 2014 compared to a downwardly-revised 138,000 in September 2014.
- The Purchasing Managers' Index (PMI) of business activity recorded 54.4 in October 2014, down from 56.9 in September 2014.
- The PMI for new orders for London firms recorded 59.3 in October 2014 compared to 59.4 in September 2014.
- The PMI for the level of employment in London firms was 56.1 in October 2014, compared to 53.2 in September 2014.
- The RICS Residential Market Survey shows a negative net balance of -35 for London house prices over the three months to October 2014.
- The net house price expectations balance in London was -10 in October 2014.
- For Greater London, the consumer confidence score remained positive at 4 in October 2014, unchanged from September.

- The most recent 28 day period is from 14 September 2014 – 11 October 2014. London's Underground and buses had 302.1 million passenger journeys; 198 million by bus and 104.1 million by Underground.
- The moving average annual rate of growth in passenger journeys increased to 2.5% from an upwardly revised 2.4% in the previous period.

For more information please visit: [Link](#)

US

- Real gross domestic product (GDP) increased at an annual rate of 3.9% in Q3 2014. Corporate profits grew \$43.8 billion in Q3.
- In October 2014, personal income increased \$32.9 billion, or 0.2%, disposable personal income (DPI) increased \$23.4 billion, or 0.2%, and personal consumption expenditures (PCE) increased \$27.3 billion, or 0.2%.
- The October 2014 international trade deficit decreased 0.4% from September, to \$43.4 billion. Exports increased 1.2% to \$197.5 billion, and imports rose 0.9% to \$241 billion.
- The U.S. current account deficit increased to \$100.3 billion, or 2.3% of gross domestic product (GDP) in Q3 2014, from \$98.4 billion (revised), or 2.3% of GDP in Q2.
- Real spending on travel and tourism accelerated in Q4 2013, increasing at an annual rate of 4.2% after increasing 3.1% (revised) in Q3 2013. For the year, real spending on travel and tourism increased 3.6% in 2013 after increasing 2.8% in 2012.

For previously released US economic indicators visit US Bureau of Economic Analysis (BEA): [Link](#)

NY

- Private employment in New York City fell by 14,000 between August and September 2014.
- The unemployment rate fell to 6.8% from 7.3% between August and September 2014.
- The Manhattan Class A office vacancy rate was 9.6% in October 2014, while the average asking rent was \$73 PSF.
- The Manhattan hotel occupancy rate in September 2014 was 92.3%, up from 89.7% in September 2013.
- Passengers in NYC area airports totaled 11.6 million in August 2014, up 4.4% from August 2013.
- In October 2014, the Manhattan Class A direct vacancy rate rose to 9.6% while the average rental rate fell slightly to \$73 PSF.
- In the same month, the Downtown Class A direct vacancy rate rose to 11.7% and the rental rate increased to \$55 PSF.
- The Manhattan Class A sublease vacancy rate was 1.8% in October 2014—the same as the previous month.
- For the twelve months ending September 2014: Building projects (including new, additions, and alterations) that started construction in NYC rose by 26.9%, and infrastructure (non-building) project starts were down 2.3% from the twelve months ending September 2013.
- Planned space for building project starts rose by 0.7% from the same period in 2013.

- 3,139 residential building project starts began construction, a 29.0% increase from the twelve months ending in September 2013. These starts contained 23,582 units, an increase of 3.0% from last year.
- In August 2014, 11.6 million passengers flew into and out of the region's airports, an increase of 4.4% from August 2013.
- Domestic air carriers accounted for 7.1 million passengers, a 2.5% increase from August 2013.
- 4.4 million passengers traveled with international air carriers in August 2014, a 7.5% increase from August 2013
- Total ridership on MTA subways, trains and buses in September 2014 was 233.7 million, an increase of 4.8% from September 2013.
- Subway ridership in September 2014 was 149.3 million, which was a 5.5% increase from September 2013.
- Total Broadway attendance was approximately 1,250,000 during the five weeks ending November 2, 2014, up 9.4% from the same period last year.
- Broadway revenue during this period was about \$125.6 million, up 8.6% from last year.
- In September 2014, the average daily hotel room rate was \$362, a 3.6% increase from September 2013.
- Hotel occupancy was 92.3% in September 2014, up from 89.7% in September 2013.
- The average daily hotel room rate increased the most in hotels charging over \$500 per night.

For more information please visit: [Link](#)

Euro Zone

- GDP up by 0.2% in the euro area in Q3 2014, compared with the previous quarter. In Q2 2014, GDP grew by 0.1% in the euro area .Compared with the same quarter of the previous year, seasonally adjusted GDP rose by 0.8% in the euro area.
- The euro area unemployment rate was 11.5% in October 2014, stable compared with September 2014, but down from 11.9% in October 2013.
- The Euro area annual inflation was 0.3% in November 2014, down from 0.4% in October. A year earlier the rate was 0.9%.
- In October 2014 compared with September 2014, seasonally adjusted industrial production rose by 0.1% in the euro area.
- In October 2014, compared with September 2014, the industrial producer prices fell by 0.4% in the euro area. In October 2014 compared with October 2013, industrial producer prices decreased by 1.3% in the euro area.
- In October 2014 compared with September 2014, seasonally adjusted production in the construction sector grew by 1.3% in the euro area.
- In October 2014 compared with September 2014, the volume of retail trade rose by 0.4% in the euro area. In September retail trade fell by 1.2% in the euro area. In October 2014, compared with October 2013, retail sales index increased by 1.4% in the euro area.
- Compared with Q1 2014, house prices rose by 0.9% in the euro area in Q2 2014.
- In Q2 2014, business investment rate was 21.6% in the euro area, stabled compared with Q1 2014.

- The first estimate for the euro area trade in goods balance with the rest of the world in October 2014 gave a 24 billion euro surplus compared with +16.5 billion in October 2013.
- The EU28 external current account recorded a surplus of 7.8 billion euro in Q3 2014, compared with a surpluses of 21.2 billion euro in Q2 2014 and of 17.3 billion euro in Q3 2013.

For more information please visit: [Link](#)

2. INVESTMENT INDICATORS

The FDI Report 2014

North America

FDI in to North America by capital investment declined by 1.36% in 2013, with the region attracting \$58.06 bn in during the year compared to \$58.86 bn recorded in 2012.

FDI out of North America by capital investment increased by 9.57% in 2013, with \$127.26 billion recorded. California was the leading state for outward FDI. The state recorded \$22.61bn, a 17.77% market share of total capital investment from North America.

In 2013, ICT with \$13.8bn and Chemicals, plastics and rubber with \$9.78 bn were the top two sectors for FDI in North America .Collectively these two sectors accounted for 40.61% of capital investment in the region.

Europe

FDI in to Europe by capital investment declined in 2013.The region received \$137.26 bn of investments, representing a 12.08% decrease in comparison with 2012. The UK was the leading country in the region despite its experiencing a 35.48% decrease in FDI from \$41.08 bn n 2012 to \$26.51 bn in 2013.

FDI out of Europe by capital investment increased in 2013. A total of \$246.99 bn worth of investments out of Europe were recorded representing a 16.79% increase in comparison with2012. Germany, UK and Franc were the 3 leading sources of FDI in 2013.

In 2013, ICT was the largest sector for FDI into Europe, representing 18.08% of the total capital investment into the region.

FDI IN FIGURES – International investment continues to struggle

Global FDI flows for 2014 have stalled at levels substantially below the peak levels reached before the financial crisis and ensuing global recession that began in 2008 according to preliminary estimates in the December 2014 issue of FDI in Figures.

<http://www.oecd.org/daf/inv/FDI-in-Figures-Dec-2014.pdf>

Mergers & Acquisitions Involving UK companies: Q3 2014

Overall in Q3 2014 the total number of domestic and cross-border mergers and acquisitions involving UK companies remained at the low levels. There were 30 completed domestic acquisitions (UK companies acquiring other UK companies) reported in Q3 2014,

During Q3 2014 there were 19 completed inward acquisitions of UK companies made by investors from abroad compared with 23 recorded in the previous quarter (Q2 2014). This is the lowest number of inward acquisitions reported since Q1 1988, when 16 acquisitions were reported.

The number of outward acquisitions (those made abroad by UK companies) fell to 18 transactions during Q3 2014, from 21 in the previous quarter.

3. UK/US EXPORTS/IMPORTS

USA Accounts for 25% of UK Exports in October 2014 (£3.8 bn)

UK Exports to USA (£m) October 2014	Change from September 2014	Change from October 2013
3,755	14.1%	1.7%

USA Accounts for 16% of UK Imports in October 2014 (£2.8 bn)

UK Imports from USA (£m) October 2014	Change from September 2014	Change from October 2013
2,787	1.1	14.7

4. UK/EU & Non-EU Exports/Imports

Total Monthly UK Trade with EU Member States: October 2014

Exports for October 2014 are £13 billion. This is an increase of £0.6 billion (4.5%) compared to last month.

Imports for October 2014 are £19.6 billion. This is an increase of £0.4 billion (2.1%) compared to last month.

The UK remains a net importer, with imports exceeding exports by £6.6 billion. This is a decrease of £0.2 billion (2.4%) compared to last month.

Total Monthly UK Trade with non-EU Member States: October 2014

Non-EU Exports for October 2014 are £14.7 billion. This is an increase of £0.8 billion (5.7%) compared to last month.

Non-EU Imports for October 2014 are £17.3 billion. This is a marginal increase of £17 million compared to last month.

The UK is a net importer this month, with imports exceeding exports by £2.6 billion. This is a decrease of £0.8 billion (23%) compared to last month.

5. NEW INVESTMENTS

US Investments into the UK

Clutch Group opens new office in London

Clutch Group, an organization dedicated to delivering the professional services for law, is pleased to announce that it has opened a new office in London to accommodate its massive growth in the UK and to further expand its EU reach. Clutch's new London office will allow the organization to meet increasing client demands and expand its capabilities in the UK and EU. Clutch Group's new London office, located in the Hasilwood House at 60 Bishopsgate, will grow the company's UK presence to over 60 employees and is equipped with a highly-secure, dedicated data infrastructure.

Clutch Group, National Press Building, 529 14th Street, NW Suite 440, Washington, DC 20045. Tel: 202-828 3380 Website: www.clutchgroup.com

Clutch Group, Hasilwood House, 6th Floor, 60 Bishopsgate, London, UK EC2N 4AW. Tel: +44 207 190 916

Cornerstone Research opens first European office in London

Cornerstone Research, a leading U.S. economic and financial consultancy, has opened its first European office in London. Founded over 25 years ago, Cornerstone Research provides economic and financial analysis in all phases of commercial litigation and regulatory proceedings. The firm works with an extensive network of leading authorities from academia and industry to identify the best-qualified expert witnesses for each assignment. Cornerstone Research's London office is headed by Senior Vice President Jamie Meehan.

Cornerstone Research, 1000 El Camino Real, Suite 250, Menlo Park, CA 94025-4327. Tel: 650-853 1660 Fax: 650-324 9204

Cornerstone Research, 125 Old Broad Street, 6th Floor, London EC2N 1AR. Tel: +44.20.3655.0900 Fax: +44.20.3655.0999 Email: info@cornerstone.com Website: www.cornerstone.com

Intent Media opens new office in London

New York-based online advertising firm, Intent Media, which helps travel sites increase revenues by operating like a search engine, has set up a European base in London. It has appointed Nick Morley, as

vice-president and European managing director to spearhead its international expansion from its new London office.

Intent Media, 180 Varick St., Suite 936, New York, NY 10014. Tel: 646-358 1234 Website:

www.intentmedia.com

Jivox opens London office

Jivox, provider of the leading ad platform for data-driven dynamic advertising, announced the opening of its London, UK office. Additionally, Murly Tiwari will join Jivox as managing director, responsible for leading U.K. sales efforts and partnerships. The opening of Jivox U.K. is a response to the growing demand for simple-to-use digital platforms that run dynamic, interactive advertisements on all screens. The appointment of Tiwari as the managing director of the UK office will continue to further Jivox's presence in the digital advertising space.

Jivox, Worldwide Headquarters, 1810 Gateway Drive, San Mateo, CA 94404. Tel: 650-412 1125 Fax: 650-412 1133 Website: www.jivox.com

Arrayent opens European office in London

Arrayent, the leading Internet of Things (IoT) platform provider adopted by major consumer brands, announced , that it has opened its European office in central London. This new office will serve as the European headquarters and support all business functions from sales, marketing, customer support and applications engineering. Arrayent customers will receive more timely and localized pre and post-sales support; Arrayent's product roadmaps will be strengthened by closer collaboration with its European customers.

Arrayent HQ, 2317 Broadway St. #20, Redwood City, California 94063. Tel: 650- 260 4520 Email:

info@arrayent.com Website: www.arrayent.com

Arrayent UK Ltd, 14-22 Elder Street, London E1 6BT. Tel: +44 20 3695 0068

Email: eu-sales@arrayent.com

UK Investments into the US

AstraZeneca to Create 300 Jobs in the US

UK-based pharmaceutical company, AstraZeneca, is to invest USD 200 million so to expand its site over the next three years in Frederick, Maryland. The biologics plant is already the firm's largest such site in the world, with a half-million square feet of administrative, warehouse, laboratory and production space. The expansion will begin in December 2014 and will add a further 40,000 square feet. In addition, the firm is to hire 300 employees in administrative, laboratory and manufacturing roles. The company expects to fill most of those positions by 2017.

AstraZeneca, 600 Capability Green, Luton, LU1 3LU. 01582 836000. Website: www.astrazeneca.co.uk

6. TRADE SHOWS

UK

March 3–5, 2015 – Ecobuild – Earls Court London

Website: [Link](#)

Ecobuild is the UK's only event dedicated to sustainable design and construction. It attracts hundreds of suppliers of green building products and services and brings together professionals from all parts of the construction sector.

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March 10–12, 2015 – Security & Policing – Five, Farnborough

Website: [Link](#)

“Security & Policing is the UK's only secure event for police, law enforcement and security professionals tasked with security, civil protection and national resilience. With over 350 exhibitors, this government-organized event is the largest of its kind in the UK and provides a platform for showcasing world leading technologies, products and solutions to police services, government departments, organizations and agencies from the UK and overseas.”

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March 13–14, 2015 – The British and International Franchise Exhibition – Olympia, London

Website: [Link](#)

The British & International Franchise Exhibition is the UK's leading international franchise exhibition bringing together industry experts, franchise brands and potential franchisees from across the globe. The exhibition is recognised as an essential platform by those businesses seeking to expand their franchise network into the UK and Europe.

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March 19–21, 2015 – The Education Show – NEC Birmingham

Website: [Link](#)

The Education Show is the UK's largest showcase of educational resources of all kinds.

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US

January 6–9, 2015– 2015 International CES – Las Vegas, NV

The International Consumer Electronics Show (CES) is the world's largest annual trade show for the broad-based consumer technology market, from 3D printing, fitness and gaming, and smart homes to wireless and wireless devices. It is the premier tech event bringing together consumer technology product manufacturers, distributors, researchers, content developers, financial and industry analysts, and press, with the highest concentration of buyers and decision makers in the retail distribution channel.

Website: [Link](#)

January 20–22, 2015– NAHB INTERNATIONAL Builder's show – Las Vegas, NV

The NAHB International Builders' Show (IBS) is the largest annual light construction and residential building industry trade show in the United States and one of the largest building industry trade shows in the world, with over 51,000 visitors.

Website: [Link](#)

January 20–23, 2015– Shooting Hunting Outdoor Trade (SHOT) Show and Conference – Las Vegas, NV

The Shooting, Hunting, and Outdoor Trade (SHOT) Show and Conference is the largest and most comprehensive trade show for professionals who sell products related to the shooting sports and hunting industries. The SHOT Show attracts buyers from more than 100 countries. With over 1,600 exhibitors, you will see all the major firearms, ammunition, and outdoor products at this show.

Website: [Link](#)

January 27–29, 2015– International Production & Processing Expo – Atlanta, GA

The International Production & Processing Expo provides attendees networking and educational opportunities and the chance to see the latest technologies related to the production and processing of animal protein products. Exhibitors provide products that take animal agriculture from the farm to the point of sale. Attendees can examine products, equipment, and services for the breeding of poultry and livestock, the processing and packaging of beef and poultry, feed manufacturing, and marketing of further processed meat and egg products.

Website: [Link](#)

For more information please visit: [Link](#)